



ANNUAL REPORT 2006-2007



Linkhouse Industries Limited

BOARD OF DIRECTORS:

- MR. NANDKUMAR K. HARCHANDANI
CHAIRMAN-CUM-MANAGING DIRECTOR
- MR. ANILKUMAR N. HARCHANDANI
EXECUTIVE DIRECTOR
- MRS. ANITA A. HARCHANDANI
EXECUTIVE DIRECTOR
- MRS. POONAM N. HARCHANDANI
DIRECTOR
- MR. ASHOK B. PUROHIT
DIRECTOR
- MR. AMARLAL DOULATANI
DIRECTOR
- MR. PURSHOTTAM UDERNANI
DIRECTOR

REGISTERD OFFICE : 7TH FLOOR, POONAM PLAZA,
PALM ROAD, CIVIL LINES,
NAGPUR - 440 001.

PHONE NO. : 0712 -2527981

FAX NO. : 0712 -2527989

AUDITORS : ANAND DESHPANDE & CO.
CHARTERED ACCOUNTANTS,
NAGPUR

BANKER : 1> ORIENTAL BANK OF COMMERCE
2> AXIS BANK LTD.

REGISTRAR AND
TRANSFER AGENT : INTIME SPECTRUM REGISTRY LTD.
C-13, PANNALAL SILK MILLS COMPOUND,
L.B.S. MARG, BHANDUP (W), MUMBAI-400078



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LINKHOUSE INDUSTRIES LIMITED

REGD. OFF.: 7TH FLOOR, POONAM PLAZA, PALM ROAD,
CIVIL LINES, NAGPUR - 440 001.

NOITCE OF TWENTY SECOND ANNUAL GENERAL MEETING

To,
The Members & Auditors,

NOTICE is hereby given that the TWENTY SECOND Annual General Meeting of the Members of LINKHOUSE INDUSTRIES LIMITED, will be held on Saturday, the 29th day of September 2007 at 02.00 P. M. at the Registered office of the Company at 7TH FLOOR, POONAM PLAZA, PALM ROAD, CIVIL LINES NAGPUR - 440 001 to transact the following business as Ordinary Business:

1. To receive, consider and adopt the audited Balance Sheet as at 31/03/2007, Profit & Loss Account for the year ended on that date and the Reports of the Auditors and Directors thereon.
2. To declare dividend on Equity Shares.
3. To appoint a Director in place of Mr. Purshottam Udernani, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. Amarlal Doulatani, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint Auditors in place of M/s. Anand Deshpande & Co., Chartered Accountants, Nagpur who retire at the conclusion of the meeting and being eligible offers themselves for re-appointment and to fix their remuneration.

Place: Nagpur
Dated: 05.09.2007.

By the order of Board
LINKHOUSE INDUSTRIES LTD.,

(CHAIRMAN)

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.
2. A PROXY FORM IS ENCLOSED. PROXIES IN ORDER TO BE EFFECTIVE, MUSTBE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.
3. PLEASE BRING IN YOUR COPY OF THE ANNUAL ACCOUNTS TO THE MEETING.
4. RECORD DATE FOR ENTITLEMENT TO DIVIDEND SHALL BE 27.09.2007 AND BOOK CLOSURE OF THE COMPANY SHALL COMMERCE FROM 27.09.2007 AND SHALL END ON 29.09.2007 (BOTH DAYS INCLUSIVE).



LINKHOUSE INDUSTRIES LIMITED

REGD. OFF.: 7TH FLOOR, POONAM PLAZA, PALM ROAD,
CIVIL LINES, NAGPUR - 440 001.

DIRECTORS' REPORT

Dear Members,

Your Board of Directors has the pleasure to present the 22nd Annual Report and the Audited Balance Sheet and the Profit & Loss Account of the Company for the year ended on 31st March 2007.

FINANCIAL RESULTS:

The Working Results of the Company are summarized in Profit & Loss Account, for the year ended on 31.3.07 & the same is self explanatory.

OPERATIONS :

The Company is involved in the business of development & Construction of Commercial and Residential Complexes in the City of Nagpur and near abouts.

PERFORMANCE:

Overall performance of the Company for the period under review was Consistent & has maintained Satisfactory level at all fronts, but it need to be done better in the current year by reducing the expenditure to the requisite extent and the Directors are hopeful of better performance of the Company in the current year.

DIRECTORS:

Mr. Purshottam Udernani and Mr. Amarlal Doulatani, Directors are due to retire by rotation and being eligible for re-appointment have offered themselves for re-appointment. The Board proposes both of them for re-appointment as Directors liable to retire by rotation at the forth coming Annual General Meeting.

PARTICULARS OF EMPLOYEES:

During the year under review, there were no employees drawing remuneration in excess of the prescribed limits and whose particulars need be given under Section 217 (2A) of The Companies Act, 1956 read with The Companies (Particulars of Employees) Rules, 1975, as amended.

a) CONSERVATION OF ENERGY & TECHNOLOGY ABSORPTION:

The Company does not use any technology or energy for its existing business except for the electricity used in offices and at sites which is not a significant part of the construction cost, hence it is not practicable to furnish the information in this connection.

b) FOREIGN EXCHANGE EARNINGS & OUTGO:

The Company earned foreign exchange of NIL & foreign exchange outgo was also NIL during the accounting year 2006-2007.

c) POLLUTION CONTROL MEASURES:

The Company's business does not involve any emission of pollutants and therefore, no special pollution control measures are called for. However, special attention is being paid to maintain healthy and hygienic conditions to make the services customer friendly.

DEPOSITS:

The Company has not accepted any deposit from the public under section 58A & 58AA of the Companies Act, 1956 during the year under review.

**DIRECTOR'S RESPONSIBILITY STATEMENT:**

Pursuant to Section 217(2AA) of the Companies Act, 1956 the Directors confirm:

- (I) That in the preparation of the Annual Accounts for the financial year ended on 31/03/2007 the applicable Accounting Standards have been followed along-with proper explanations relating to material departures.
- (ii) That the directors have selected such accounting policies and applied them consistently and made Judgements and estimates that are reasonable and prudent so as to give a true and fare view of the state of affairs of the Company at the end of the financial year and of the **PROFIT** of the Company for the year under review.
- (iii) That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- iv) That the Directors have prepared the Annual Accounts for the Financial Year ended on 31/03/2007 on a 'Going Concern' basis.

AUDITOR'S REPORT:

Observations made in the Auditor's Report are self-explanatory and therefore, do not call for any further comments U/s217 (3) of the Companies Act, 1956.

AUDITORS:

The Auditors M/s. Anand Deshpande & Co., Chartered Accountants, Nagpur holds office till the conclusion of the forthcoming Annual General Meeting and they have expressed their willingness to be re-appointed and have also given a certificate to that effect that their re-appointment, if made, would be within the limits prescribed under section 224(1-B) of the Companies Act, 1956.

The Directors recommend re-appointment of M/s. Anand Deshpande & Co. Chartered Accountants, Nagpur as Auditors to hold the office from the conclusion of the ensuing Annual General Meeting till the conclusion of the next Annual General Meeting at the remuneration to be decided by the Board in consultation with them.

ACKNOWLEDGMENT:

Directors wish to place on record their thanks and gratitude to:

- I) The Central and State Government as well as their respective Departments and Development Authorities connected with the business of the company and the Bankers to the Company.
- ii) The Members and suppliers /contractors for the trust and confidence reposed and to the Customers for their valued patronage.
- iii) The Board also takes this opportunity to express their sincere appreciation for the efforts put in by the officers and employees at all levels in achieving the results and hopes that they would continue their sincere and dedicated endeavor towards attainment of better working results during the current year.

Regd. Office:
7TH FLOOR, POONAM PLAZA,
PALM ROAD, CIVIL LINES,
NAGPUR - 440 001.

For and behalf of the Board

Dated: 05.09.2007.

(CHAIRMAN)



LINKHOUSE INDUSTRIES LIMITED REPORT ON CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY

The basic philosophy of corporate governance in the Company is to achieve business excellence and enhance shareholders value, keeping in view the interest of its various stakeholders by short and long-term actions.

2. BOARD OF DIRECTORS

As per Listing Agreement, the Board should have an optimum combination of executive and non-executive Directors with not less than 50% of the Board consisting of non-executive Directors. In case of a non-executive Chairman, at least one-third of the Board should consist of Independent Directors and in the case of an Executive Chairman; at least half of the Board should be Independent Directors.

The Composition of the Board of Directors and related information as on 31st March 2007 is as follows:

Sr No.	Name of Directors	Category— Executive/Non-Executive/ Independent Director	No. of Board Meetings Attended	Last AGM Attended Yes/No	Director ship in other Companies	No. of other Board Committee of which Member /Chairman
1.	Mr. Nandkumar K. Harchandani	Chairman-cum Managing Director	09	Yes	14	NIL
2.	Mr. Anilkumar N. Harchandani	Executive Director	12	Yes	13	NIL
3.	Mr. Anita A. Harchandani	Executive Director	11	Yes	01	NIL
4.	Mrs. Poonam N. Harchandani	Non-Executive Director	09	Yes	05	NIL
5.	Mr. Ashok Purohit	Non-Executive & Independent Director	03	No	01	03
6.	Mr. Amarlal Doulatani	Non-Executive & Independent Director	03	No	01	03
7.	Mr. Purshottam Udernani	Non Executive & Independent Director	03	No	01	03

None of the Directors on the Board holds the office of Director in more than 15 Companies or memberships of Committees of the Board in more than committees or Chairmanship of more than 5 Companies across all Companies.

The Chairman of the Board of the Company is a non-executive director. The Board of Directors of the Company consists of 3 Non executive Directors as on 31st March, 2007.

3. COMMITTEES OF THE BOARD

A. Audit Committee

The Audit Committee comprises of three members, all of whom are Non-Executive and Independent Directors. The Chairman of the Committee is Mr. Ashok B. Purohit with Mr. Amarlal Doulatani and Mr. Purshottam Udernani as members. Mr. Nandkumar K. Harchandani and Mr. Anilkumar N. Harchandani, Directors were invited to the Committee Meetings as special invitees during the financial year 2006-2007.



TERMS OF REFERENCE OF AUDIT COMMITTEE

- a. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- b. Recommending the appointment and removal of external Auditors, fixation of audit fee and also approval for payment for any other services.
- c. Reviewing with management the annual financial statements before submission to the Board.
- d. Reviewing with the management, external and internal auditors, the adequacy of internal control system.
- e. Reviewing the adequacy of internal audit function, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- f. Discussion with internal auditors any significant findings and follow up thereon.
- g. Reviewing the findings of any internal Auditor.

Sr No.	Name of the Directors	No. Of Meetings	Meetings Attended
1.	Mr. Ashok B. Purohit.	3	3
2.	Mr. Amarlal Doulatani	3	3
3.	Mr. Purshottam Udernani	3	3

B. Remuneration Committee

The Audit Committee comprises of three members, all of whom are Non-Executive and Independent Directors. The Chairman of the Committee is Mr. Ashok B. Purohit with Mr. Amarlal Doulatani and Mr. Purshottam Udernani as members. Mr. Nandkumar K. Harchandani, Director and Mr. Anilkumar N. Harchandani, Director were invited to the Committee Meetings as special invitees during the financial year 2006-2007.

Terms of Reference of Remuneration Committee

- a) Remuneration payable to Executive Directors were considered and approved by the Remuneration Committee not to exceed the below stated amounts w.e.f.01/04/2007, but it can be less than as follows:

1. Mr. Anilkumar N. Harchandani Rs.25,000/- p.m.
2. Mrs. Anita A. Harchandani Rs. 25,000/- p.m.

- b) Review of the Remuneration payable to the above Executive Directors and other Members of the Management shall also be considered and approved from time to time.

Sr No.	Name of the Directors	No. Of Meetings	Meetings Attended
1.	Mr. Ashok B. Purohit.	2	2
2.	Mr. Amarlal Doulatani	2	2
3.	Mr. Purshottam Udernani	2	2

B. Shareholders' Committee

The Audit Committee comprises of three members, all of whom are Non-Executive and Independent Directors. The Chairman of the Committee is Mr. Ashok B. Purohit with Mr. Amarlal Doulatani and Mr. Purshottam Udernani as members. Mr. Nandkumar K. Harchandani and Mr. Anilkumar N. Harchandani, Directors were invited to the Committee Meetings as special invitees during the financial year 2006-2007.

This Committee looks into the Grievances received from the Shareholders and the concerned Depository Participants promptly and takes stock of any complaints or a query raised from all concerned every fortnightly and resolves the same promptly.

Sr No.	Name of the Directors	No. Of Meetings	Meetings Attended
1.	Mr. Ashok B. Purohit.	3	3
2.	Mr. Amarlal Doulatani	3	3
3.	Mr. Purshottam Udernani	3	3